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REMARKS

Claims 1-23 were pending in the application prior to this response.
Claims 5, 6, 11 and 13 have been amended herein. Claims 1-4, 7-10, 12 and 14-23 remain in the application unchanged. Reexamination and reconsideration are requested.

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I. Legal Basis for Prior Art Rejections Applied in the Office Action

Legal Basis for Obviousness under 35 U.S.C. §103

The test for obviousness under 35 U.S.C. 103 is whether the claimed invention would have been obvious to those skilled in the art in light of the knowledge made available by the reference or references. *In re Donovan*, 184 USPQ 414, 420, n. 3 (CCPA 1975). It requires consideration of the entirety of the disclosures of the references. *In re Rinhart*, 189 USPQ 143, 146 (CCPA 1976). All limitations of the Claims must be considered. *In re Boe*, 184 USPQ 38, 40 (CCPA 1974). In making a determination as to obviousness, the references must be read without benefit of applicants' teachings. *In re Meng*, 181 USPQ 94, 97 (CCPA 1974). In addition, the propriety of a Section 103 rejection is to be determined by whether the reference teachings appear to be sufficient for one of ordinary skill in the relevant art having the references before him to make the proposed substitution, combination, or other modifications. *In re Lintner*, 173 USPQ 560, 562 (CCPA 1972).

In the case of *In re Wright*, 6 USPQ 2d 1959 (CAFC 1988), the CAFC decided that the Patent Office had improperly combined references which did not suggest the properties and results of the applicants' invention nor suggest the claimed combination as a solution to the problem which applicants' invention solved.

The CCPA reached this conclusion after an analysis of the prior case law, at p. 1961:

We repeat the mandate of 35 U.S.C. 103: it is the invention as a whole that must be considered in obviousness determinations. The invention as a whole embraces the structure, its properties, and the problem it solves. See, e.g., *Cable Electric Products, Inc. v. Genmark, Inc.*, 770 F.2d 1015, 1025, 226 USPQ 881, 886 (Fed. Cir. 1985) ("In evaluating obviousness, the hypothetical person of ordinary skill in the pertinent art is presumed to have the 'ability to select and utilize knowledge

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from other arts reasonably pertinent to [the] particular problem' to which the invention is directed"), quoting *In re Antle*, 444 F.2d 1168, 1171-72, 170 USPQ 285, 287-88 (CCPA 1971); *In re Antonie*, 559 F.2d 618, 619, 195 USPQ 6, 8 (CCPA 1977) ("In delineating the invention as a whole, we look not only in the claim in question... but also to those properties of the subject matter which are inherent in the subject matter and are disclosed in the specification") (emphasis in original).

The determination of whether a novel structure is or is not "obvious" requires cognizance of the properties of that structure and the problem which it solves, viewed in light of the teachings of the prior art. See, e.g., *In re Rinehart*, 531 F.2d 1048, 1054, 189 USPQ 143, 149 (CCPA 1976) (the particular problem facing the inventor must be considered in determining obviousness); see also *Lindemann Maschinenfabrik GmbH v. American Hoist and Derrick Co.*, 730 F.2d 1452, 1462, 221 USPQ 481, 488 (Fed. Cir. 1984) (it is error to focus "solely on the product created, rather than on the obviousness or notoriousness of its creation") (quoting *General Motors Corp. v. U.S. Int'l Trade Comm'n*, 687 F.2d 476, 483, 215 USPQ 484, 489 (CCPA 1982), cert. denied, 459 U.S. 1105 (1983)).

Thus the question is whether what the inventor did would have been obvious to one of ordinary skill in the art attempting to solve the problem upon which the inventor was working. *Rinehart*, 531 F.2d at 1054, 189 USPQ at 149; see also *In re Benno*, 768 F.2d 1340, 1345, 226 USPQ 683, 687 (Fed. Cir. 1985) ("appellant's problem" and the prior art present different problems requiring different solutions").

A basic mandate inherent in Section 103 is that a piecemeal reconstruction of prior art patents shall not be the basis for a holding of obviousness. It is impermissible within the framework of Section 103 to pick and choose from any one reference only so much of it as will support a given position, to the exclusion of other parts necessary to the full appreciation of what such reference fairly suggests to one of ordinary skill in the art. *In re Kamm*, 172 USPQ 298, 301-302 (CCPA 1972). Phrased somewhat differently, the fact that inventions of the references and of applicants may be directed to concepts for solving the same problem does not serve as a basis for arbitrarily choosing elements from references to attempt to fashion

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applicants' claimed invention. *In re Donovan*, 184 USPQ 414, 420 (CCPA 1975).

It is also clearly established in the case law that a change in the mode of operation of a device which renders that device inoperative for its stated utility as set forth in the cited reference renders the reference improper for use to support an obviousness-type rejection predicated on such a change. See, e.g., *Diamond International Corp. v. Walterhoefer*, 289 F.Supp. 550, 159 USPQ 452, 460-61 (D.Md. 1968); *Ex parte Weber*, 154 USPQ 491, 492 (Bd.App. 1967). In addition, any attempt to combine the teaching of one reference with that of another in such a manner as to render the invention of the first reference inoperative is not permissible. See, e.g., *Ex parte Hartmann*, 186 USPQ 366 (Bd.App. 1974); and *Ex parte Sternau*, 155 USPQ 733 (Bd.App. 1967).

A reference which teaches away from the applicants' invention may not properly be used in framing a 35 U.S.C. 103 rejection of applicants' claims. See *United States v. Adams*, 148 USPQ 429 (Sup. Ct. 1966).

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II. Rejection of Claims 1-12 under 35 U.S.C. §103(a)

Claims 1-12 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Webber, Jr. (U.S. 6,167,378). Reexamination and reconsideration are requested.

Applicants' claim 1 recites the following:

A method for a first organization to do business comprising:
entering into a contractual relationship with a second organization;
authorizing said second organization to take an order from a customer, said order comprising at least one of:
products not produced by said first organization, and services not provided by said first organization;
receiving payment directly from said customer as a payment for said order taken by said second organization;
requiring an organization other than said first organization to ship products not produced by said first organization to said customer;
requiring an organization other than said first organization to provide services to said customer.

The Examiner states the following in paragraph 2 of the Office action:

With regard to claim 1, Webber discloses a method for a first organization (direct marketer in example, col. 12 line 43+) to do business that includes entering into a contractual relationship with a second organization (winery), authorizing the second organization to take an order from a customer, wherein the order is for products or services not produced by the first organization

The Examiner, thus, takes the position that applicants' recited "first organization" and "second organization" read on the direct marketer and the

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winery, respectively, discussed in the Webber, Jr. example.

Applicant's claim 1, however, recites, for example, the following:

**authorizing said second organization to take an order from
a customer**

In the Webber, Jr. example, the winery does not take orders from customers. Instead, orders are taken by the direct marketer. The relevant portion of Webber, Jr. reads as follows:

EXAMPLE

Assume for the purpose of illustration the conventional business of selling wine directly to customers, that is, direct marketing. The winery or its broker contracts with the direct marketer to sell the winery's wine. **The final retail customer buys the wine from the direct marketer** and the wine is to be shipped directly to the customer. **The direct marketer collects payment from the customer** by credit card. The direct marketer negotiates the credit card payment with its bank and deposits the funds in its bank account. The seller transmits sale data to system.

(Webber, Jr., col. 12, lines 42-52, emphasis added)

Accordingly, in Webber, Jr., orders are taken by the direct marketer. Thus, the second organization (the winery in the Webber, Jr. example) is not authorized "to take an order from a customer" as recited in claim 1.

For at least the reasons above, Webber, Jr. fails to meet all of the limitations of claim 1. Applicants, thus, respectfully assert that the Examiner's rejection of claim 1 is improper and should be withdrawn.

Claims 2-13 are allowable at least as depending from allowable base claim 1.

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III. Rejection of Claims 13-23 under 35 U.S.C. §103(a)

Claims 13-23 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Webber, Jr. (U.S. 6,167,378). Reexamination and reconsideration are requested.

Claims 13-17

Applicants' claim 13, as amended herein, recites the following:

**A method for a first organization to do business comprising:
requiring a second organization to take an order for sales
items on behalf of the first organization;
in response to a determination that the order includes a product
distributed by a third organization sending an order for that product to
the third organization;
requiring the third organization to ship the product directly to the
a customer's address.**

Claim 13, thus, recites "**requiring a second organization to take an order for sales items**". Accordingly, claim 13 is allowable for at least the reasons advanced above with respect to claim 1.

Claims 14-17 are allowable at least as depending from allowable base claim 13.

Claim 18

Applicants' claim 18 recites the following:

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A method for a first organization to do business comprising:
requiring a second organization to take an order for sales items on behalf of the first organization;
in response to a determination that the order includes a product distributed by a third organization sending an order for that product to the third organization;
requiring the third organization to notify the first organization when the order exceeds a predetermined credit limit of the second organization.

Claim 18, thus, recites "**requiring a second organization to take an order for sales items**". Accordingly, claim 18 is allowable for at least the reasons advanced above with respect to claim 1.

Claims 19-23

Applicants' claim 19, recites the following:

A method for a first organization to do business comprising:
in response to a determination that services in a service order taken by a second organization on behalf of the first organization is incomplete determining whether the service order includes support services; and
determining a billing strategy based upon whether or not the service order includes support services.

Claim 19, thus, recites "**a service order taken by a second organization**". Accordingly, claim 19 is allowable for at least the reasons

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advanced above with respect to claim 1.

Claims 20-23 are allowable at least as depending from allowable base
claim 19.

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IV. Claim Amendments

Claims 5, 6, 11 and 13 have been amended herein to correct various minor typographical errors and to improve clarity.

For the reasons advanced above, applicants respectfully assert that all of the claims are in condition for allowance.

Respectfully submitted,
KLAAS, LAW, O'MEARA & MALKIN, P.C.

By:


Michael A. Goodwin, Reg. No. 32,697
KLAAS, LAW, O'MEARA & MALKIN, P.C.
1999 Broadway, Suite 2225
Denver, CO 80202
Telephone: (303) 298-9888
Fax: (303) 297-2266
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